

# Companies seek insulation from mounting asbestos suits

By LEIGH STROPE  
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WASHINGTON — An avalanche of asbestos lawsuits — many filed by people who are not extremely sick — is overwhelming courts and threatening companies even though the cancer-causing substance has not been widely used in the United States for almost 30 years.

More than 60 companies have sought

bankruptcy protection since 2000 as a result of mounting exposure claims and hefty settlements over asbestos, a fibrous mineral commonly used until the mid-1970s in insulation and fireproofing material. The companies include Kaiser Aluminum, Bethlehem Steel, Owens Corning and Armstrong World Industries.

"It's a growing problem

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## Asbestos: Some lawyers for the very sick side with companies

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when a lot of people thought it was a diminishing problem," said Mike Baroody, a lobbyist with the National Association of Manufacturers. His group has joined with the American Insurance Association to lead an alliance that is pressing Congress for relief.

Inhaling asbestos fibers can cause lung cancer and other deadly respiratory ailments, sometimes decades later.

An estimated 200,000 claims are pending in courts, with more than 90,000 filed just last year. The pool of potential claimants is huge and experts fear lawsuits and bankruptcies could continue another 50 years.

As more companies seek bankruptcy protection, new lawsuits target those that have only remote ties to asbestos.

"Claims are being put to anybody that's got money to pay," said David Bernick, a Chicago lawyer who represents two companies in bankruptcy — W.R. Grace, a supplier of construction chemicals and building materials, and Babcock and Wilcox, an engineering company.

W.R. filed for bankruptcy in April 2001 after seeing an 81 percent increase in asbestos claims in 2000.

That increase was partly because it was revealed in November 1999 that about 200 people had died of asbestos-related disease from a vermiculite mine near Libby, Mont., owned for 30 years by W.R. Grace. At least another 375 people have been diagnosed with fatal disease. Asbestos contamination caused the U.S. Environmental Protection Agency to propose Libby as a Superfund site in February 2002.

Only about 10 percent of U.S. asbestos-related claims involve people working in the construction business, Bernick said. Most are from people who at one time were inside a building containing asbestos fireproofing material.

Some lawyers representing very sick people fear that compensation for their clients is becoming more remote as more companies seek bankruptcy protection. Several of those attorneys have joined the business alliance alongside companies and insurers — once their traditional opponents on the issue — to lobby Congress.

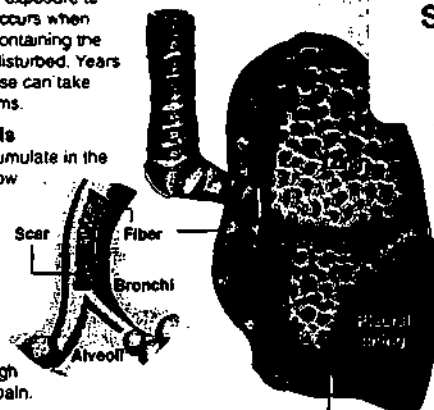
"The only way, ironically, that people who are sick can get the compensation they need is to work with these companies," said Steve Kazan,

## Over time, asbestos does its damage

Dangerous exposure to asbestos occurs when materials containing the fibers are disturbed. Years later, disease can take several forms.

### Asbestosis

Fibers accumulate in the lungs' narrow branches, inflaming and scarring airways. The condition causes chronic cough and chest pain.

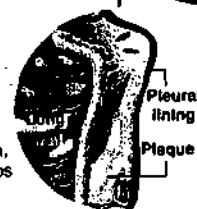


### Pleural plaques

The needle-shaped fibers may also migrate into the pleural lining. As the pleura becomes inflamed, plaque builds up and may restrict breathing.

### Cancer

Risks of lung cancer or mesothelioma, cancer of the pleural lining, from asbestos is increased significantly by smoking.



SOURCE: National Institute of Occupational Safety and Health

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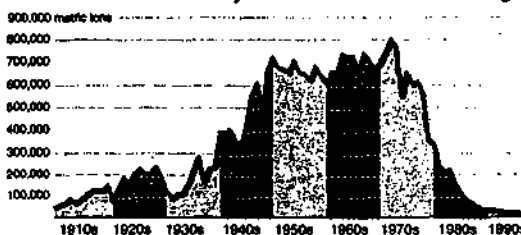
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## Asbestos in America

### Lingering impacts of an industry favorite

The use of the naturally occurring fibrous materials known as asbestos dates back to ancient times. Like the Romans who used

### Rise and fall of an industry standard: U.S. asbestos usage



As asbestos production began in the U.S., it grew to be a major insulation component in locomotives.

In 1924, the first case of asbestosis was reported in a medical journal.

Usage during World War II, especially in war ships, marked the start of a decades-long popularity.

Federal regulations began primarily through OSHA and the EPA.

Production declined as the new industry of asbestos removal emerged.

SOURCE: USGS

a San Diego lawyer.

The alliance is seeking legislation that would give priority to the claims of the most seriously ill while preserving the rights of others to sue if they should become very sick.

It also wants to restrict where asbestos suits can be filed, arguing that lawyers are targeting courts where sympathetic juries have awarded big settlements to plaintiffs, including Mississippi, West Virginia and east Texas.

However, Congress has never passed asbestos-related

legislation over the past three decades, and Fred Baron, a Dallas lawyer who represents people exposed to asbestos, said he doubts it ever will because there is no national crisis.

Baron and other lawyers who represent workers not severely disabled say their clients still have been harmed and deserve to be compensated.

He says many companies filing for bankruptcy protection are just reorganizing and then emerging much stronger.